

DELIVERY OF FARMING INPUTS IN AGRICULTURAL STRONGHOLDS

RESEARCH REPORT

ABBREVIATIONS

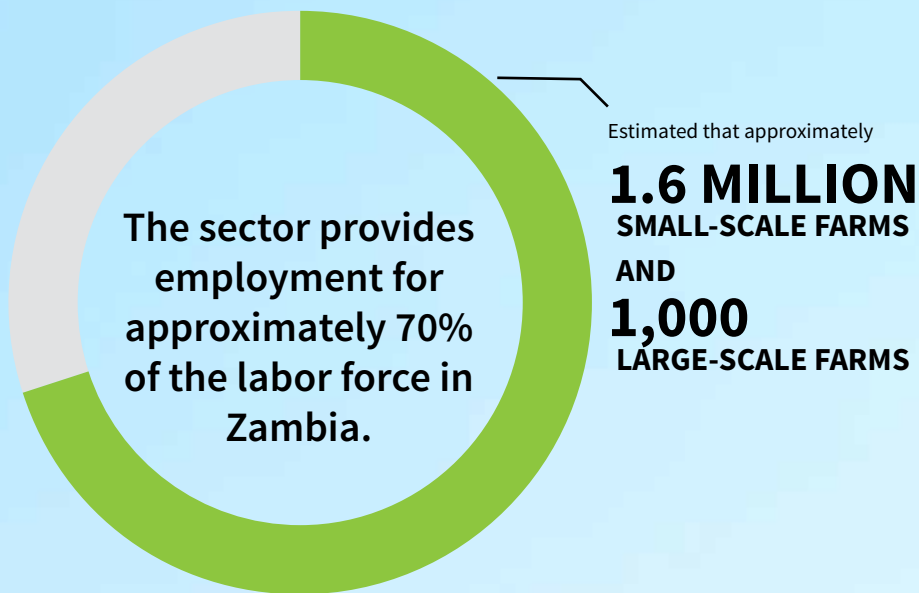
CSO	Central Statistics Office	NRC	National Registration Card
ECZ	Electoral Commission of Zambia	PF	Patriotic Front
FISP	Farmer Input Support Programme	PMRC	Policy Monitoring and Research Centre
FSP	Fertilizer Support Programme	RALS	Rural Agricultural Livelihoods Survey
IAPRI	Indaba Agricultural Policy Research Institute	VSC	Voucher Scratch Card
MAL	Ministry of Agriculture and Livestock	ZNFU	Zambia National Farmers Union



BACKGROUND

Agriculture plays an important role in the lives of many Zambians. The sector provides employment for approximately 70% of the labor force in Zambia. It is estimated that **approximately 1.6 million small-scale farms** and about **1,000 large-scale farms** characterize the sector. This farming population is clustered in two principal areas:

1. In central Zambia: The area stretches along line of rail running from Victoria Falls in the Southern province to the Copperbelt in the North, and
2. In the Eastern part of Zambia: The area borders Malawi and Mozambique.



Agriculture Development is a priority for the Zambian government and is at the core of the Patriotic Front Manifesto. The manifesto highlights specific focus on crop diversification, agriculture research, governance, commercial agriculture, livestock, and fisheries development with water resources development.² These strategies are aimed at increasing the productivity of the Agriculture sector. This is especially important as this sector is the source of livelihood for a large majority of poor Zambians.



KEY ISSUES

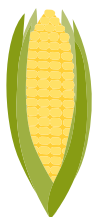
HIGHLIGHTED IN THE MANIFESTO INCLUDE:

1. The need for continued subsidizing in the agriculture sector, especially small-scale farming is a key issue highlighted. The subsidization is aimed at encouraging farmers in remote areas to focus their cash cropping on high value commodities like tobacco and cotton.
2. The need to review the Food Reserve Agency Act in order to rationalize its operations and functions including its role in maintaining strategic reserves of food crops is also highlighted in the manifesto.

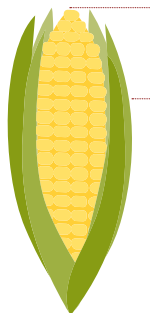


Since taking office in September 2011, the Patriotic Front (PF) Government has remained committed to improving the agricultural sector in Zambia, which has continued to record bumper harvests in maize production with national production averaging at just over 2.5 million metric tones in the last 3 farming seasons.³ The government further scored success in the 2013/2014 farming season as Zambia produced 3.4 million metric tones (MT) representing a surplus of 1.9 million MT.

BUMPER HARVESTS IN MAIZE PRODUCTION



OVER 2.5 MILLION
metric tones (MT) in the
last 3 farming seasons



**SURPLUS OF
1.9 MILLION**
metric tones (MT)

**2013/2014 ZAMBIA
PRODUCED
3.4 MILLION**
metric tones (MT)

2. Patriotic Front Manifesto 2011-2016
3. IAPRI, Crop Forecast Survey, MAL and CSO, 2000-2012

INTRODUCTION

In October 2014, Zambia lost its 5th Republican President H.E Michael Chilufya Sata and a presidential by-election was held on the 20th January 2015. The Patriotic Front retained the Presidency under the guidance of the 6th Republican President H.E Edgar Chagwa Lungu. President Edgar C. Lungu emerged victorious in the 2015 Presidential elections with **48.33%** of the votes representing **807,925** of the total votes cast.⁴



6th Republican President
His Excellency Edgar Chagwa Lungu

48.33%
OF THE VOTES



REPRESENTING

807,925

OF THE TOTAL VOTES CAST.

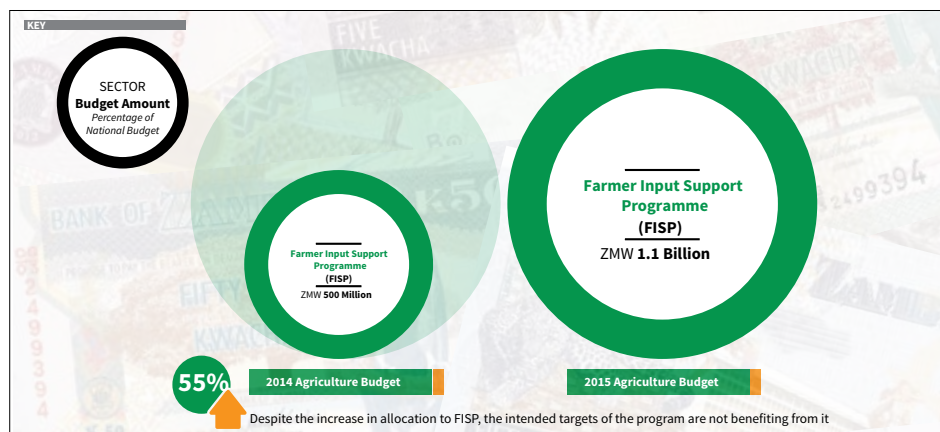
4. 2015 Presidential Election Results, ECZ

The nation is headed for a General Election in the third quarter of 2016. This research is aimed at providing a post-election analysis on the PF's performance in the January 20 Presidential by- election, with focus on the Agricultural strongholds districts and constituencies. A review of the elections results reveals that the votes scored in the agricultural stronghold areas were not as high as was expected and this research is aimed at establishing the factors that influenced this performance. The research provides an overview of the structure of the agriculture sector with a focus on small-scale farming. The research further identifies gaps, challenges and opportunities for the PF in agricultural strong holds.

REVIEW OF AGRICULTURE TRENDS AND ELECTION RESULTS

Agriculture Trends

1.6 million small-scale farmers characterize Zambia's agricultural sector, 73% of these farmers cultivated are 2 hectares of land or less. The average poverty rate for the farmers' households in this category is 80.5% implying that a large majority of these farmers belong to poor households.⁵ Government has increased allocation to the Farmer Input Support Program (FISP) and in **2015 allocated 1.1 Billion Kwacha**, which amounted to 55% of the Agriculture budget to FISP.⁶ Despite the increase in allocation to FISP, the intended target groups of the program are not benefiting from it; in contrast only 56% of small-scale farmers are receiving FISP fertilizer.⁷ In 2011 78% of the total amount of maize bought by the Food Reserve Agency was from large-scale farmers whose cultivated land ranged from 2 to 20 hectares.⁸ This reveals that the Agriculture Poverty Reduction Programs (PRP) is benefiting households that are well off at the expense of the poor.



5. PMRC Adaptation from RALS (2012)

6. PMRC 2015 Budget Analysis

7. IAPRI Policy Brief Number 59, "How can the Zambian Government improve the targeting of the farmer input support program?" February 2013

8. IAPRI Facts about the Agriculture Sector, March 2015

KEY AGRICULTURE INTERVENTIONS:

Farmer Input Support Programme (FISP): This was first introduced in 2001 as the Fertilizer Support Programme (FSP), it was later revised and renamed in 2009, to Farmer Input Support Programme, (FISP). Under FISP the input pack size given to farmers was reduced from eight (8) 50 kilogram (50kg) bags of fertilizer and 20 kilograms (20kg) bags of maize seed to four (4) 50 kilogram bags (50kg) of fertilizer and 10 kilogram (10kg) bags of maize seed. This was done in order to increase the efficiency of input use by farmers and increase the number of beneficiaries.⁹



E- Voucher: The E- voucher system will be piloted during the 2015/2016 farming season. This is meant to operate with the FISP in an effort to improve its efficiency. The E-voucher system uses a mobile delivery and tracking system to distribute subsidized products through private-sector suppliers to targeted farmers. This involves a web- based system that can be accessed on mobile phones. This allows for real time registration of beneficiaries and electronic payment to the agro dealer and retail agents who distribute the products.

Under the e-voucher system, beneficiaries are targeted just as they would be under the current FISP system. The beneficiaries then receive a Voucher Scratch Card (VSC), which is linked to their specific National Registration Card (NRC) number. This scratch card entitles the beneficiary to a specified array of agricultural inputs and implements. The cards are redeemed at nearby retail agro-dealer outlets. On confirmation of the transaction, which is done by entering the scratch card number and beneficiary's NRC number through their cell phone, the agro-dealer receives instant payment to their online account.¹⁰

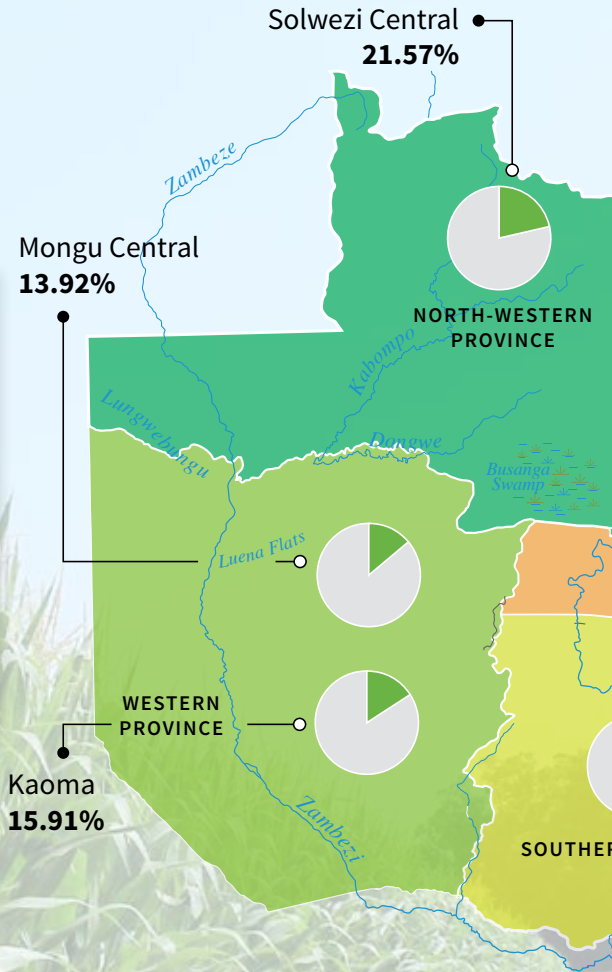
9. The Zambian Economist Newsletter, 2010, Volume 1 Issue No. 5

10. IAPRI Policy Brief 53 April 2012 "Assessing The Feasibility Of Implementing The Farmer Input Support Programme (FISP) Through An Electronic Voucher System In Zambia"

ELECTIONS RESULTS

The analysis of the 2015 Election is conducted to assess the performance of the Patriotic Front in Zambia's Agriculture strongholds. This analysis is targeted at the constituencies in which these strongholds are based. The results reveal that the rural votes in favour of the PF were not as favourable as was expected. Copperbelt, Lusaka, North Western, Western Central and Southern provinces were identified as areas with key rural small-scale farming activities. A further eight (8) constituencies were identified in these key farming blocks where poor results were recorded:

The constituencies were selected strategically taking into account on-going farming activities. The selection also took into account the establishment of Zambia National Farmers Union (ZNFU) Offices. The PMRC research teams leveraged on the presence of ZNFU offices to effectively locate farmers and access information.





OPPORTUNITIES



This research determined the challenges faced by the farmers in agricultural strongholds through key informant interviews with farmers and the farmers' associations as well as the respective cooperatives. The Agriculture Stronghold research therefore provided an opportunity for PMRC to contribute to Patriotic Front's Agenda of uplifting the livelihood of Zambians. The research also provides recommendations that seek to improve and enhance Government's support to farmers, especially to those in rural areas.

METHODOLOGY



The research design consisted qualitative of methods of data collections. The main sources of data were primary sources and these included key informant interviews with small-scale farmers in **8 districts in 5 provinces**. The research coverage included North-Western, Western, Southern, Lusaka and Copperbelt provinces. These areas were selected because they are at the core of Zambia's agricultural activity. Data collection was conducted in 8 districts: **Chongwe, Chisamba, Mazabuka, Livingstone, Kaoma, Mpongwe and Solwezi**. Key informant interviews were conducted with District Commissioners, District Administrative Officers, Farmers District Associations, and representatives from the Zambia National Farmers Union (ZNFU) and Small- farmers in various districts. The engagements with farmers captured the key challenges they face as well as their recommendations on finding lasting solutions.

RESEARCH FINDINGS



Input Delivery:

- The farmers reported having a fair experience. Farmers indicated that they had received inputs both late and early in the past farming seasons. However recently these inputs have received been late.
- Farmers in Mpongwe reported that they had received poor quality seeds as well as under-weight bags of fertilizer. This affected the yields of their crops.
- Farmers also reported that the inputs were not delivered in the sequences in which they are used. e.g. Top dresser, which is a final fertilizer, is received before D-compound, which is required early during planting. This led to a misapplication of the fertilizer.

- Farmer also reported that businessmen and commercial farmers were using small-scale farmers to purchase inputs and resale them by paying for their cooperative membership fees and initial contribution to FISP.
- The farmers also report that inadequate inputs had been received, thus forcing farmers to share these inputs. This resulted in low farming yields leading to the failure of farmers to graduate from the FISP program.
- It is however important to note that the FISP program was introduced in 2009/10 farming season and was transformed from the Farmer Support Program (FSP). During the transformation the number of inputs per household reduced by half from eight (8) 50Kg bags of fertilizer to four (4) 50kg bags per household. This reduction has however increased the number of beneficiaries from 120,000 in 2002/2003 to 900,000 in 2012/2013.¹¹

EXTENSION SERVICES:



- Farmers acknowledged the presence of extension services, however they reported that these were inadequate and requested enhanced support through the establishment of Agricultural Centre's.

CROP DIVERSIFICATION:



- The farmers reported that the FISP Program emphasizes maize production and this has discouraged crop diversification. Farmers further urged Government to diversify the crop seeds under the FISP program.
- Farmers also reported that Cooperatives are only created for the purpose of FISP, so as to receive fertilizer, and do not conduct any other activities such capacity building of farmers.
- Farmers bemoaned the lack of monitoring and supervision during the use of the inputs. They suggested that an evaluation of the usage of inputs be conducted to determine the optimal quantity of inputs required to graduate farmers thereby deterring farmers from reselling inputs as they would be monitored.

11. IAPRI Policy Brief 59 "How can the Zambian Government improve the targeting of the farmer input support program?", February 2013

LACK OF INFORMATION AND LOW LITERACY LEVELS:

- General awareness on registration of Cooperatives and literacy levels among small-scale farmers especially, those in remote areas proved to be a challenge in the establishment of new setting cooperatives, as the farmers as they were unaware of the registration processes. The farmers also reported of being swindled out of their money as result of lack of knowledge.
- Farmers in remote areas reported that feeder roads were impassible and this was worsened when the delivery of inputs was done during the rainy season. Thus farmers had challenges in delivering inputs to their respective farms.
- Farmers also reported that membership fees to cooperatives were relatively high ranging from K50-K100 across the 5 provinces.
- Farmers also reported that despite the availability of Extension officer's farmers were made to provide transport for extension officers in order to be attended to.
- Farmers in Mongu reported that the FISP program should take into account on the two farming season; in the region namely winter and summer. They requested that inputs provided should be aligned to the two seasons.
- Farmer's Union representative reported that urban small-scale farmers benefit more from the FISP program as they have easy accessibility (i.e. Banking Facilities to deposit initial payments and easy access to depots to collect inputs.

CONCLUSION

Farmers have greatly appreciated the FISP program across the of country; however there several technical challenges that have affected efficiency the FISP program. The most notable of these challenges was the late delivery of farming inputs and late payment of farmers thereby affecting the farming proceess. The reduction of farming inputs per pack so as to increase beneficiaries was also cited as a huge challenge as the current packs are deemed insufficient to allow farmers to graduate from the program. Some area sreported that part of the inputs received had been of poor quality or had been damaged, eg in the case of fertilizer. Farmers in remote areas had challenges in accessing and delivering inputs to their farmers due to poorly maintained feeder-roads. Most cooperatives are only active during input distribution, and thus require technical support such as training so as to further empower farmers with enhanced farming skills.

RECOMMENDATIONS

SHORT TERM:



1. PMRC urges the Government to enhance the effectiveness of FISP through monitoring and evaluation as well as supervision during the utilization of the distributed inputs. This will assist the government to assess the program's effectiveness as well as identify the optimal inputs required for farmers to graduate from the program.
2. PMRC encourages Government to enhance efforts to provide technical support through improved extension services and equip cooperatives with skills to train farmers so as improve input utilization.

LONG TERM:



3. PMRC urges the Government to expedite the implementation of the e-voucher system, as this will end delays in delivery of inputs and allow for diversification in the inputs received. This will improve the accessibility to inputs as farmer can access them from local dealers.

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Indaba Agricultural Policy Research Institute, Policy Brief Number 59, *“How can the Zambian Government improve the targeting of the farmer input support program?”* February 2013

Patriotic Front Manifesto 2011-2016

PMRC 2015 Budget Analysis

PMRC adaptation from the Rural Agricultural Livelihoods Survey (RALS), 2012

PMRC’s adaptation from IAPRI, Crop Forecast Survey, MAL and CSO, 2000-2012

The Zambian Economist Newsletter, 2010, Volume 1 Issue No. 5

Unlocking Zambia's Potential

Correspondence on this Research Report can be sent to:
info@pmrczambia.net

Policy Monitoring and Research Centre (PMRC)

Plot No. 32 Sable Road, corner Bishop and Sable Roads, Kabulonga, Lusaka, Zambia

Private Bag KL 11

Tel: +260 211 268 385 | +260 979 015 660

www.pmrczambia.com

